

SOYBEAN

Technical Analysis:

- Soybean chart reveals uptrend in the price.
- Prices closed above 9-day and 18-day EMA indicating bullish momentum in near and medium-term.
- RSI is rising in overbought region while stochastic is rising in neutral zone supporting the gains.
- The soybean prices are likely to move up in Tuesday's session.

Trade Recommendation – Soybean NCDEX (Feb)

Call	Entry	T1	T2	SL
BUY	>2496	2506	2511	2491
Support & Resistance				
S2	S1	PCP	R1	R2
2465	2477	2501	2520	2525

Soya Bean 1102(NCSOYG1)2011/01/17 - Daily B:2500.00 A:2503.00
O 2495.00 H 2512.00 L 2483.00 C 2501.00 V 109,780 I 208,320 +8
EMA(9) 2449.3 (18) 2428.3



RAPSEED

Technical Analysis:

- Mustard seed chart reveals buying support in the market.
- Prices closed above 9-day EMA supporting bullish momentum in near-term.
- RSI is rising in neutral region while stochastic is rising in oversold zone.
- Mustard seed prices are likely to gain in Tuesday's session.

Trade Recommendation – Rapeseed NCDEX (January)

Call	Entry	T1	T2	SL
BUY	>555	560	563	552
Support & Resistance				
S2	S1	PCP	R1	R2
550	545	558	559	562

Mustard Seed 1101(NCRMSF1)2011/01/17 - Daily B:558.00 A:558.20
O 549.25 H 558.00 L 547.00 C 558.00 V 39,730 I 64,850 +9.25
EMA(9) 554.80 (18) 558.99



Oilseed Summary

Overall the oilseed prices have witnessed firm-tone with rise in winter and festive demand in some edible oils and expected rise in oilmeals demand from poultry feed industry.

International Market (CBOT)

CBOT soy futures climbed Friday, with ongoing bullish supply concerns buoying prices to new 2-year high settlements. CBOT March soybeans, the most active contract settled 6 1/2 cents or 0.5% higher at \$14.22 1/2.

Spot Market Analysis: Soybean

Soybean prices further gained followed by firm BMD CPO and bullish international soybean supply scenario this season.

Soybean arrivals in Madhya Pradesh improved and reported at 1.25 lakh bags (90 kg each) from previous day's level of 0.60 lakh bags. At Indore mandi the arrivals are reported at 1500 bags compared to the previous day's level of 5,000 bags.

- No significant activity is witnessed in the domestic soybean market. The market is witnessed with regular normal demand in the local markets.
- The US soybean crop estimate was lowered by as much as 1.2 Mn T to only 90.6 Mn T, which compares to 94.8 Mn T expected in early September – Oil World.
- The influence of La Nina on weather conditions in South America and Southeast Asia is still strong. This will consequently hit soybean and other oilseeds output negatively.
- Initial harvesting of early soybean varieties started in Mato Grosso, but it is lagging last year's pace – Oil World.
- The US soybean crop estimate was lowered by as much as 1.2 Mn T to only 90.6 Mn T, which compares to 94.8 Mn T expected in early September – USDA.
- Argentine farmers won't sell soybean for a week starting Jan. 17 to protest the government's export policies.
- Global soybean production is projected at 255.5 million tons, down 2.3 million – USDA.
- The Argentina soybean crop is projected at 50.5 million tons, down 1.5 million from last month due to lower projected yields - USDA.
- India's soybean availability is projected to rise to 11.59 million tons in 2010-11 as compared to 10.12 million tonnes estimated for 2009-10. Higher carry over and production is the contributors to the same.
- Paraguay soybean production is raised 0.5 million tons to 7 million due to increased area and favorable yield prospects - USDA.

Soybean prices are likely to recover and remain firm on near and medium-term on expected good domestic soyoil demand and higher domestic and overseas soy meal demand. Crop loss in Argentina will support the soybean prices at higher levels.

Spot Market Analysis: Rapeseed/Mustard Seed

Mustard seed prices in cash market extended gains tracking higher Malaysian palm oil and firm soybeans Monday.

- Arrivals in Rajasthan are reported steady at 40,000 bags (85 kg each) compare with previous day's level.
- However, higher area under mustard seed and good stocks limited the gains.
- The mustard seed stock position at NCDEX warehouses as on 15 January 2011 stood at 85,000 MT.
- The total area covered under rabi oilseeds, as on January 14 2011, stands at 89.40 lakh ha compared to 87.30 lakh ha in the same period last year. The rise in area (2.5%) under the oilseeds is expected to increase the production.
- India's mustard seed production is likely to cross 62 lakh tons in 2010-11 vs 55 lakh tons with expected increase in area by 10-15%.
- Rapeseed output in Rajasthan, which produces half of the country's total output, is likely to rise to 4.2 Mn T from 2.9 Mn T in 2009.
- Rapeseed, or canola, production will fall to a three-year low of 57.8 Mn T in the marketing year that ends June 30 - Oil World.
- Global oilseed ending stocks for 2010/11 are reduced 2 million tons to 68.3 million with Argentina and U.S. soybean stocks accounting for most of the change– USDA.
- Global oilseed production for 2010/11 is projected at 440.4 million tons, down 2.3 million from last month – USDA.
- Global rapeseed production is projected at 58.4 Mn T, up 1.2 Mn due to gains for Canada and EU-27 - USDA.

Mustard seed prices may remain range bound with positive bias on higher demand for meal and oil. Lesser area sown until this time of the year also remains supportive but it is premature to comment on the seed output.

Oilseed Prices at Key Markets

Commodity	Centre	Prices		Change
		17-01-11	15-01-11	
Soybean	Indore –P	2380-2440	2360-2390	+50
	Indore –M	2280-2335	2260-2325	+10
	Nagpur – M	2310-2350	2880-2340	+10
	Kota – M	2280-2330	2280-2330	Unch
Rapeseed/Mustard	Jaipur – C	2835	2830	+5
	Alwar – C	2727	2700	+27
	Delhi– C	2775	2775	Unch
Groundnut (In Shell)	Rajkot	580	575	+5
Sunflower Seed	Latur	2750-3200	-	-

*P – Plant Delivery Prices, M – Mandi Prices, C – Condition (42%)

*Prices in Rs/Qtl

*Groundnut (In Shell) in Rs/20 kg

*Sunflower Seed in Rs/qtl

FOREX RATES as on 17.01.11

Country/ Continent	Currency	Value in Rupees - 17.01.11	Value in Rupees - 15.01.11
USA	Dollar	45.59	45.34
Europe	Euro	60.73	60.57
Japan	Yen	54.99	54.63
Britain	Pound Sterling	72.31	72.01

DISCLAIMER

The information and opinions contained in the document have been compiled from sources believed to be reliable. The company does not warrant its accuracy, completeness and correctness. Use of data and information contained in this report is at your own risk. This document is not, and should not be construed as, an offer to sell or solicitation to buy any commodities. This document may not be reproduced, distributed or published, in whole or in part, by any recipient hereof for any purpose without prior permission from the Company. IASL and its affiliates and/or their officers, directors and employees may have positions in any commodities mentioned in this document (or in any related investment) and may from time to time add to or dispose of any such commodities (or investment). Please see the detailed disclaimer at <http://www.agriwatch.com/Disclaimer.asp>